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**BEFORE THE ARIZONA CORPORATION****COMMISSIONERS**

Arizona Corporation Commission

**DOCKETED**

SEP - 3 2009

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF  
RADICAL SYSTEMS SOLUTIONS FOR A  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE CUSTOMER-OWNED  
PAY TELEPHONE SERVICE IN ARIZONA.

DOCKET NO. T-20642A-08-0588

DECISION NO. 71265**ORDER**

Open Meeting  
August 25 and 26, 2009  
Phoenix, Arizona

**BY THE COMMISSION:**

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

**FINDINGS OF FACT**

1. On December 4, 2008, Radical System Solutions ("RSS" or "Applicant"), filed with the Commission an application for a Certificate of Convenience and Necessity ("Certificate") to provide customer-owned pay telephone ("COPT") service in Arizona ("Application").

2. On March 3, 2009, the Commission's Utilities Division Staff ("Staff") issued its First Set of Data Requests to RSS.

3. On April 16, 2009, the Applicant filed its Responses to the Data Requests, including a replacement page to its tariff filed with the Application.

4. On June 8, 2009, RSS filed additional replacement pages for its proposed tariff.

5. On July 10, 2009, Staff filed its Staff Report in this matter recommending approval of the Application without a hearing.

6. In Decision No. 55817 (December 10, 1987), the Commission found that COPT providers were public service corporations subject to the jurisdiction of the Commission.

1           7.       In Decision No. 57797 (April 8, 1992), the Commission adopted A.A.C. R14-2-901  
2 through R14-2-909 to regulate COPT providers.

3           8.       Pursuant to A.R.S. § 40-282, the Commission may issue Decisions regarding COPT  
4 Certificates without a hearing.

5           9.       RSS is authorized to do business in Arizona as a foreign corporation. Staff notes that  
6 RSS is authorized to operate in Nevada and has an application pending in California.

7           10.      RSS submitted with its Application a customized tariff, which will apply only to  
8 automated operator services for payphones in inmate environments in Arizona. Service will be for  
9 outward calling only. The Applicant plans to offer Institutional Automated Collect Operator Service  
10 that will allow calls within Arizona.

11          11.      Staff notes that the Applicant will contract individually with each inmate facility based  
12 on that facility's specific requirements. RSS will set maximum rates according to state prescribed  
13 rate caps and consistent with those on file by dominant carriers and rates approved by the  
14 Commission for other competitive institutional service providers. Staff concludes that, although the  
15 maximum per call/per minute rate structure is the same for all facilities the Applicant serves, the  
16 actual rates may differ.

17          12.      According to Staff, the Applicant did not provide a customer information placard.  
18 RSS asserts that customer information placards describing the services offered and operating  
19 instructions are not applicable to inmate telephones. Instead of a standard information placard, RSS  
20 states that it will provide information to all inmate facilities informing the inmate end users and their  
21 families or called parties regarding the payphone dialing instructions, service limitations, service  
22 rates and RSS' customer service number. Also, calling instructions and rate information will be  
23 provided by the Applicant through automated announcements, a script of which has been provided to  
24 Staff. Staff believes this satisfies the customer notification requirement.

25          13.      Additionally, RSS indicated that it would make the following options available to the  
26 caller and/or the called party before any payphone charges are assessed: 1) rate quotes for collect  
27 calls will be available upon request at the time the call is placed, 2) the rate quotes will be provided  
28 by an automated announcement during the call set-up process and prior to acceptance of the call, and

1 3) the called party may listen to the rates and opt to refuse the call without incurring any charges.

2 14. According to the Applicant, inmate calling capabilities may be restricted by the  
3 administration of the inmate facilities.

4 15. Staff's recommendation is reasonable and shall be adopted.

5 **CONCLUSIONS OF LAW**

6 1. The Applicant is a public service corporation within the meaning of Article XV of the  
7 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

8 2. The Commission has jurisdiction over the Applicant and the subject matter of the  
9 Application.

10 3. The provision of COPT service in Arizona by the Applicant is in the public interest.

11 4. The Applicant is a fit and proper entity to receive a Certificate for providing COPT  
12 service in Arizona.

13 5. Staff's recommendation is reasonable and should be adopted.

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**ORDER**

IT IS THEREFORE ORDERED that the Application of Radical System Solutions for a Certificate of Convenience and Necessity for authority to provide customer-owned pay telephone service in Arizona is hereby granted.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

  
CHAIRMAN


  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 2nd day of Sept, 2009.

  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

1 SERVICE LIST FOR: RADICAL SYSTEMS SOLUTIONS

2 DOCKET NO.: T-20642A-08-0588

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